

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

Page 168, between lines 46 and 47, begin a new paragraph and insert:

"SECTION 150. IC 6-3.1-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:

Chapter 21. Home Schooled Child Tax Credit

Sec. 1. As used in this chapter, "eligible dependent" means a dependent, as defined in Section 151(c)(1)(B) of the Internal Revenue Code, who:

(1) is at least six (6) years of age but less than nineteen (19) years of age; and

(2) is excused under IC 20-8.1-3-34 from compulsory school (public or nonpublic) attendance and who participates in the ISTEP program under IC 20-10.1-16-15.

Sec. 2. As used in this chapter, "taxpayer" means an individual who has any adjusted gross income tax liability.

Sec. 3. A taxpayer who has at least one (1) eligible dependent is entitled to a credit against the adjusted gross income tax imposed by IC 6-3 for the taxable year. The credit is equal to three hundred fifty dollars (\$350).

Sec. 4. If both spouses reside in the same household, only one (1) credit may be claimed by the spouses under this chapter for the taxable year. However, in the case of a husband and wife who file separate tax returns, the husband and wife may take the credit in equal shares or one (1) spouse may take the entire credit.

Sec. 5. (a) If the amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year exceeds the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

1 (b) A taxpayer is not entitled to a refund of any unused credit.

2 SECTION 151. IC 20-10.1-16-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ
3 AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]: Sec. 15. (a) As used in this section,
4 "individual" refers to a person who:

5 (1) is:

6 (A) enrolled in a nonpublic school other than an accredited nonpublic school; or

7 (B) is not enrolled in a school (either public or nonpublic); and

8 (2) is the dependent (as defined in Section 151(c)(1)(B) of the Internal Revenue Code) of a taxpayer
9 who:

10 (A) desires an education tax credit under IC 6-3.1-19; and

11 (B) voluntarily makes a request to the department that the dependent participate in the ISTEP
12 program.

13 (b) An individual may participate in the ISTEP program.

14 (c) The department shall develop procedures for an individual to participate in the ISTEP program. The
15 procedures that the department develops must include the following:

16 (1) Annually providing a document to the taxpayer to show that an individual is participating in the
17 ISTEP program. This document must be suitable for the taxpayer to use to file for an education tax
18 credit.

19 (2) Determining the appropriate age or grade level of each individual only for purposes of establishing
20 the years when the individual is in an age or grade level that is tested under the ISTEP program.

21 (3) For an individual that is in age or grade levels that are tested under the ISTEP program:

22 (A) administer the ISTEP test at no charge at approved sites throughout Indiana where an
23 individual may take the ISTEP test; and

24 (B) allow an individual to elect to participate in the ISTEP program by substituting for the ISTEP
25 test a norm referenced test or criterion referenced test when the department approves:

26 (i) the test; and

27 (ii) the manner of administration of the test.

28 (4) Making appropriate provision for an individual who is a child with a disability (as defined in
29 IC 20-1-6-1) whose education program does not include regular classroom instruction in mathematics
30 and English/language arts so that:

31 (A) the individual is not required to take an assessment test; and

32 (B) a document is provided under subdivision (1) so that the taxpayer may file for an education tax
33 credit.

34 (d) If an individual participates in the ISTEP program in a year when the ISTEP test is not given to the
35 individual's age or grade level and then is withdrawn from the ISTEP program when the individual's age
36 or grade level is tested, the individual may not renew participation in the ISTEP program under this

1 **section unless the individual takes the missed ISTEP test.**

2 SECTION 152. [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)] **IC 6-3.1-21, as added by this act,**
3 **applies to a taxable year beginning after December 31, 1998."**

4 Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 22, 1999.)

Representative Young M